# STATE OF IOWA DEPARTMENT OF COMMERCE UTILITIES BOARD

IN RE:

INTERSTATE POWER AND LIGHT COMPANY

DOCKET NOS. TF-2016-0321, TF-2020-0237, TF-2020-0238

#### ORDER REQUIRING ADDITIONAL INFORMATION

lowa Code § 476.49 directs rate-regulated electric utilities to "file either a net billing or an inflow-outflow tariff with the board to govern the billing and crediting of eligible distributed generation facilities interconnected with the electric distribution system of an electric utility . . . ." As part of the implementation of the requirements of this statute, on March 23, 2020, the Utilities Board (Board) issued an Order Continuing Net Metering Pilots in Docket No. TF-2016-0321. In the order, the Board directed Interstate Power and Light Company (IPL) to continue offering its net metering pilot tariff until a net billing or inflow-outflow tariff is approved by the Board.

On July 1, 2020, IPL filed Rate Code IO – Inflow/Outflow DG Billing tariff (IPL Electric Tariff, Sheet Nos. 42.2-42.5) and the Table of Contents for the Electric Tariff (Sheet No. 1), which was assigned Docket No. TF-2020-0237. Also on July 1, 2020, IPL filed revisions to Rate Code NM – Net Metering Pilot – Renewable Energy Facilities which was assigned Docket No. TF-2020-0238, to mark its existing net metering rate tariff sheets as "frozen."

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On July 21, 2020, the Office of Consumer Advocate (OCA), a division of the Iowa Department of Justice, filed responses in TF-2020-0237 and TF-2020-0238 stating that it has no objections to either IPL's Inflow/Outflow Distributed Generation Tariff or Net Meter Pilot Freeze tariff. Also on July 21, 2020, the Iowa Environmental Council and the Environmental Law & Policy Center (IEC/ELPC) filed an objection to the tariff and a request to docket, and Winneshiek Energy District and the Iowa 80 Truckstop, Inc., each filed an objection. On August 7, 2020, the Sierra Club Iowa Chapter filed an objection.

On July 28, 2020, the Board issued an order docketing and suspending IPL's proposed tariff.

Having reviewed IPL's proposed inflow/outflow distributed generation billing tariff and the filed responses, the Board has identified a number of items requiring comment, which are attached to this order as Attachment A. IPL shall file and other interested persons may file written initial responses to the items identified in Attachment A within 10 days of this order and reply responses within 15 days of this order. Following receipt and review of the responses, the Board will evaluate whether a technical conference would assist in resolving any outstanding concerns.

#### **ORDERING CLAUSES**

#### IT IS THEREFORE ORDERED:

Within ten days of the date of this order, Interstate Power and Light
 Company shall file and other interested persons may file written responses to the items
 set forth in Attachment A filed with this order.

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Within 15 days of the date of this order, Interstate Power and Light
 Company and other interested persons may file written reply comments.

### **UTILITIES BOARD**

ATTEST:

Anna Hyatt Date: 2020.10.06 15:43:07 -05'00'

Geri Huser Date: 2020.10.06 15:04:27 -05'00'

Dated at Des Moines, Iowa, this 6th day of October, 2020.

## **Attachment A**

# Interstate Power and Light Company Docket Nos. TF-2016-0321, TF-2020-0237 & TF-2020-0238

Interstate Power and Light Company (IPL) must provide a written response to each item below. Each response must identify the item number to which it corresponds. Other interested parties may submit a response to any or all of the numbered items.

- 1. IPL's proposed inflow-outflow tariff does not specifically address what ownership structures, such as facilities financed through third parties, will be allowed to participate in the inflow-outflow billing arrangement.
  - Please clarify what ownership structures will be allowed to participate in the inflow-outflow billing arrangement.
- 2. IPL's proposed inflow-outflow tariff does not specifically identify whether customers will be allowed to aggregate accounts at different geographic locations to "virtually" meter.
  - Please clarify whether customers participating in the inflow-outflow billing arrangement will be allowed to "virtually" net meter.
- 3. The opening paragraph on MidAmerican Energy Company's (MidAmerican) tariff Sheet No. 376 states: "In the context of the Rate IO tariff, the Customer's load is defined as the Customer's average annual energy usage based on recent billing data or estimated annual energy usage. The Company reserves the right to request from the Customer estimated annual energy usage if the Customer has less than one (1) year of billing data."

Terms and Conditions #7 on IPL's tariff Sheet No. 42.4 states: "If, at minimum, twelve months of usage is not available for the property, Company shall use the Customer's class average annual kWh energy usage in the determination of a Customer's annual electricity usage."

Winneshiek Energy District (Winneshiek), Iowa 80 Truckstop, and Iowa Environmental Council and the Environmental Law and Policy Center (IEC/ELPC) expressed concerns about IPL's method for determining the system size for customers that do not have 12 months of historical data. According to IEC/ELPC, MidAmerican develops such estimates based on a comparable customer. Iowa 80 Truckstop stated the industry sizes electrical equipment based on projected usage.

Please comment on whether the method for determining a customer's average annual kWh energy usage, when 12 months of historical data is not available for the customer, should be the same for MidAmerican and IPL, and comment on the appropriate method for determining the system size for these customers.

4. The first full paragraph on IPL's tariff Sheet No. 42.3 and the fifth paragraph on MidAmerican's tariff Sheet No. 383 state: "The Company shall own and have title

# **Attachment A**

to the renewable energy attributes, renewable energy credits, and greenhouse gas emission credits related to all outflow credits."

IEC/ELPC and Winneshiek argue that the customer should retain all RECs produced when the outflow rate is set at the retail rate and notes that RECs will be specifically accounted for in a value of solar rate. Iowa 80 Truckstop believes RECs should remain with the customer.

Please respond to the comments raised by IEC/ELPC, Winneshiek, and Iowa 80 Truckstop.

- 5. Terms and Conditions #1 on IPL's tariff Sheet No. 42.4 states: "Customer may be served from a distribution transformer which serves no other Customer."
  - Please explain what the quoted language means and whether such language should be included in all net billing or inflow-outflow tariffs.
- 6. Winneshiek states that size caps must be flexible enough to allow customers to grow their distributed generation systems concurrent with usage.
  - Please comment on Winneshiek's concern and provide alternative language if applicable.
- 7. Winneshiek Energy District, Iowa 80 Truckstop, and IEC/ELPC argue that the language of Terms and Conditions #5 on IPL's Sheet No. 42.4 could preclude inflow-outflow tariff participants from offering paid electric vehicle charging to customers or employees. Winneshiek Energy District, Iowa 80 Truckstop, and IEC/ELPC also argue that language contradicts 199 Iowa Administrative Code rule 20.20.
  - Please respond to these comments.
- 8. IPL's eligibility criteria include language that the facility's generating capacity and associated energy is intended to serve only the on-site electric requirements of the customer. On page 4 of its filed comment, IEC/ELPC states: "We consider on-site electric vehicle charging to be the customer's needs consistent with the eligibility requirements of the statute." Winneshiek's and Iowa 80 Truckstop's comments reiterate this position.
  - Please respond to contentions raised by IEC/ELPC, Winneshiek, and Iowa 80 Truckstop.
- 9. IEC/ELPC point out that Terms and Conditions #11 on IPL's tariff Sheet No. 42.5 provides that customers are eligible for the tariff for 20 years, but the tariff does not specify that the purchase rate will be in effect for the 20-year period.
  - Please respond to IEC/ELPC's concern.